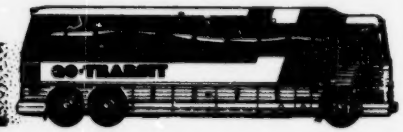
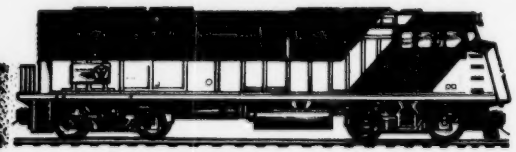
GO TRANSIT

Annual Report

For the year ending March 31, 1982





Toronto Area Transit Operating Authority

GO TRANSIT

3625 Dufferin Street, Downsview, Ontario M3K 1Z3
(416) 630-0663 Telex 06-217506

23 August, 1982

The Honourable James W. Snow
Minister of Transportation
and Communications
Ferguson Block
Queen's Park
Toronto, Ontario
M7A 1Z8

Sir:

It is my honour, on behalf of the Members of the Board, to present the 1981-82 annual report of the Toronto Area Transit Operating Authority.

It is also my pleasure to extend our thanks to you and your staff at the Ministry of Transportation and Communications for your continuing co-operation and assistance. It is my hope that this special relationship with GO Transit will continue to grow.

Respectfully submitted,

L.H. Parsons
Chairman

Toronto Area Transit Operating Authority
Chairman: L.H. PARSONS
Vice-Chairman: MRS. A.M. JONES
Regional Municipality of Halton Members
R.F. BEER, Regional Municipality of Peel
D. FISHER, Regional Municipality of York
P.V. GODFREY, Municipality of Metropolitan Toronto
D. HERRIDGE, Regional Municipality of Durham
J.R. KATTE, Regional Municipality of Halton
Executive Director: A.T. LEACH

Ontario

Office of the Minister

Ministry of Transportation and Communications

Ferguson Block
Queen's Park
Toronto, Ontario
416 965 2101

August 24, 1982

The Honourable John Black Aird
Lieutenant Governor of Ontario
Legislative Building
Queen's Park
Toronto, Ontario
M7A 1A1

May It Please Your Honour:

I have the privilege of presenting for the information of Your Honour and the Legislative Assembly the report of the activities of the Toronto Area Transit Operating Authority for the year ending March 31, 1982.

Respectfully submitted,

James Snow
Minister

Chairman's Summary

Fiscal 1981-82 was a critical period in the 14-year history of GO Transit.

Inflation gripped the nation, and GO could not escape the squeeze. Capital money was tight. Operating costs increased. The motivator which enticed commuters from the private car to public transit – rising fuel costs – was at the same time driving up the costs of running GO. Ridership growth, however, did not let up, nor did the demand for new or expanded services.

Despite these pressures, there was much of which to be proud.

The bus system stengthened its status as a full-fledged network in its own right, co-existing with and complementing the rail operation. Bus ridership outstripped rail again in terms of growth rate, continuing the trend set last year. The fleet grew accordingly, and the addition of 25 new MC9 coaches during the year enlarged the roster to 198 GO Buses – a far cry from the original 15 in 1970. Expansion plans focused on two busy terminals, Hamilton and Newmarket, and GO pressed on with the search for new sites for both.

The GO Train network expanded too with the introduction of service between Milton and Toronto and will grow again in the fall of 1982 with the takeover of two VIA Rail lines abandoned by the Federal Government. GO entered a new age of co-operation with VIA, permitting it to use Willowbrook Maintenance Depot under contract for the servicing of its new LRC trains. Agreement was reached with Hawker Siddeley for the manufacture of 71 second-generation bi-levels, nearly doubling the present fleet. The redevelopment of two important hubs continued with extensive construction at Oakville station and the downtown Toronto Transportation Terminal. And groundwork was laid for the possible electrification of the rail system.

Other important advances were made in the areas of fare integration, which became a permanent, integral part of GO Transit, and the TeleGO computerized information system, which came a step closer to reality.

There was a dark side to the picture, however.

The Lakeshore rail line reached saturation; many rush-hour trains were over capacity, with standees numbering up to a third as many passengers as there were seats for. The overcrowding was aggravated by performance problems during a severe winter, leaving many commuters disgruntled. GO recognized the importance of long-range plans, not stop-gap measures, to maintain the high standard of service for which it is reputed – and which its passengers have come to expect. Aware of the limits of the present system, GO therefore foresaw the need to take a long, hard look at the current reliance on a conventional commuter rail system and the fact that there might be better alternatives which could provide, dollar for dollar, the kind of efficient transportation able to move the masses of people predicted for the turn of the century.

As GO Transit moves into this new era, I am confident that we will meet the challenges. I am confident that, despite the difficulties which lie ahead, staff will continue to display the dedication which has made GO what it is today. On behalf of the Board, I thank staff for their efforts – and I thank the private operators for their co-operation in providing what undoubtedly is one of the finest commuter systems in the world.

L.H. PARSONS
Chairman

Managing Director's Report

Fare Integration

The unqualified success of the fare integration experiment in Brampton and Oakville prompted GO to include the programme permanently in the system.

In May, the Board made fare integration available to any municipal transit system connecting with the GO Train, and in November, Mississauga Transit became the first to take advantage of the offer; by fiscal year end, staff discussions were being held with Burlington Transit to set up a programme in Burlington in the spring of 1982. Meanwhile, the experiment became permanent in Brampton (the original testing ground) and Oakville, drawing ever-increasing numbers of riders.

By integrating GO fares with those of the municipal systems, the programme allows passengers to transfer free, or at a substantial discount off the full combined fare, between the local bus and the GO Train (or connecting GO Bus) at the GO station. Its cost – loss of the local fare which would otherwise be collected – is shared 75-25 by GO and the municipality concerned; the municipality can choose, as Mississauga did, to recover its 25 per cent through a surcharge on the GO fare.

The programme's aim is to relieve parking lot overcrowding at GO stations by giving commuters the incentive to take transit all the way between home and destination. The local systems benefit too, recouping some of their investment through increased ridership.

Pay Parking

Charging commuters to park at GO lots was endorsed in principle by the Board and a preliminary design study authorized on parking control methods.

Faced with growing parking lot demand and congestion, the Board based its decision on the philosophy that passengers who drive and park should pay a fair share for the privilege to help offset the high cost of providing and maintaining parking space. The Board, in a related move, also made the fare integration incentive a permanent part of the system to encourage greater use of local transit to get to and from GO stations.

Preliminary studies and detailed design will be done in the 1982-83 fiscal year, with implementation scheduled for the fall of 1983.

Electrification

Studies continued for the possible electrification of the GO rail network.

Steering and technical committees made up of representatives of CN Rail, CP Rail, Ontario Hydro, the Ministry of Transportation and Communications and GO Transit began groundwork for the design phase, which was authorized by Cabinet last year.

At fiscal year end, the selection of a prime consultant for this phase from 12 consortiums of domestic and foreign engineering firms was in the final stages.

Electrified GO Trains possible for the future

Fare Collection

The first phase of GO's fare collection study was completed and one of its options, a self-serve system, was approved in principle by the Board.

Consultants proceeded with the second phase to develop the specifications and cost estimates for a test of a self-serve system on one of the rail lines. This phase of the study is scheduled for completion by the fall of 1982.

At the same time, GO began a separate but related study to develop specifications for bus ticket-issuing equipment which will be compatible with the new system and replace the existing obsolete fare registers. This study is also scheduled to be finished by the fall of 1982.

These reviews are necessary to modernize and improve the efficiency of the present fare collection procedure, a manual system which has been in place since GO service began.

TeleGO

Testing of the TeleGO computerized information system was rescheduled for the summer of 1982 because of equipment problems, which were solved by fiscal year end.

Once in use, the system will provide accurate train arrival times in real time by continuously monitoring the exact location of every train in service. Besides improving the quality of service status information for passengers, Tele-

GO will be invaluable operationally, enabling GO staff to have an earlier awareness of service disruption than now.

The passenger information aspect of the system will be tested at Clarkson station on the Lakeshore line and can expand to encompass the rest of the GO rail network and the entire GO Bus system; as well, TeleGO can incorporate municipal transit systems integrated with the GO operation to provide joint service status information.

Rail Station Redevelopment

The extensive redevelopment of Oakville station was the major project this fiscal year, and parking lot expansions were carried out at Pickering, Burlington and Old Cummer stations.

GO's third busiest rail station, Oakville was the last Lakeshore station to be rebuilt since redevelopment of the line began in 1976. Work started in the summer of 1980, expanding parking capacity and improving access to the 13-acre station. The second phase, completed this January, gave commuters a new station building, two new bus loops and a new parking lot south of the tracks, boosting capacity from 960 spaces before redevelopment to 1,350. Planned is a third phase to provide up to 1,800 spaces total as demand warrants.

Pickering station, the second busiest in the system after Union, underwent parking expansion to enlarge capacity by 280 spaces for a total of 1,600, completing the redevelopment which began in fiscal 1979-80.

The parking lot at Burlington station was also expanded, increasing capacity from 545 to 710 spaces; the project also increased the number of bus bays from seven to nine to accommodate Burlington Transit.

Parking lot expansion was also done at Old Cummer station on the Richmond Hill line, adding 110 spaces for a total of 350. This contract included remedial improvements to the parking lot at Langstaff.

During the fiscal year, engineering design was completed for parking lot expansions at Rouge Hill, Eglinton and Scarborough stations on the Lakeshore East – projects which will be undertaken in 1982-83 if capital funds are available.

GO Train 4

Carryover work on station and related CP Rail plant construction was undertaken during the fiscal year for the new GO Train service between Milton and Toronto.

Station construction was substantially complete for the October opening of the new service, with finishing touches carried out through the winter of 1981-82. Facilities on the 50-kilometre line provide commuters with parking for over 2,260 cars and platform waiting shelters for up to 1,000 passengers in all. (See Operation section of this report for service details.)

VIA Services Take-over

Early in the fall of 1982, GO Transit will take over commuter service on two of three VIA Rail lines abandoned by the Federal Government.

The take-over was announced in March in the Speech from the Throne at Queen's Park after repeated requests for Ottawa to retain these services had failed. GO will assume rail service on the Toronto-Stouffville line and on the Toronto-Barrie run as far north as Bradford.

Extensive Toronto Transportation Terminal redevelopment includes flyunder (left) for GO Trains

Toronto Transportation Terminal

Work continued on the extensive Toronto Transportation Terminal project.

Vital to future growth, the redevelopment is designed to meet the commuter demand expected through the end of the century by relieving rail traffic congestion and increasing the capacity of the downtown Toronto terminus and its western corridor approaches.

Passenger-handling capacity was increased in the project's first phase, the new GO concourse in Union Station. Redevelopment of the 3.2-kilometre western approaches, the second phase, progressed on schedule during the fiscal year; this phase consists of the Bathurst North train storage yard finished last year, construction of a flyunder for GO Trains, widening of the track corridor and replacement of the existing outdated signal system.

The flyunder was completed in late 1981 and is scheduled to be fully operational in the spring of 1983; it will open up the bottleneck west of Union by carrying GO Trains under other rail traffic to and from the station, eliminating the major cause of present service delays.

All costs of the Toronto Transportation Terminal project are borne by the Province through GO.

Oshawa Rail Extension

The study on the feasibility of extending GO Train service east from Pickering to Oshawa was completed and at fiscal year end was in the hands of the Minister of Transportation and Communications.

Prepared with GO's input, it consisted of a joint investigation on ridership potential by Durham Region and the Ministry of Transportation and Communications and a detailed rail plant cost study by CN Rail based on providing five-train peak-hour service.

Environmental Assessment

The Province's Environmental Assessment Act requires public agencies like GO Transit to address the environmental impacts which development and engineering projects might have on the natural or social environment.

In April, the Ministry of the Environment approved four Environmental Assessment Class Documents prepared by GO to commit itself to a consistent line of action in the development and construction of such commuter facilities as bus terminals, rail stations, parking lots and maintenance facilities. The documents also commit GO to accept responsibility for measures to mitigate any negative environmental effects which these projects might have – action which is carried out in co-operation with the MOE.

Each major project, whether a Class project or not, is investigated thoroughly by qualified personnel, and government agencies, municipal authorities and the public are made aware of the proposed plans and given the opportunity to object or provide input.

Accessibility Improvements

GO Transit continued improving accessibility and services for physically-handicapped persons.

During the fiscal year, it began providing reserved parking spaces for handicapped persons at its rail stations and bus terminals; its new MC9 buses were manufactured with extra handrails in the entrances to assist handicapped and elderly passengers; and special pay phones with volume control handsets for the hearing-impaired were installed in Union Station.

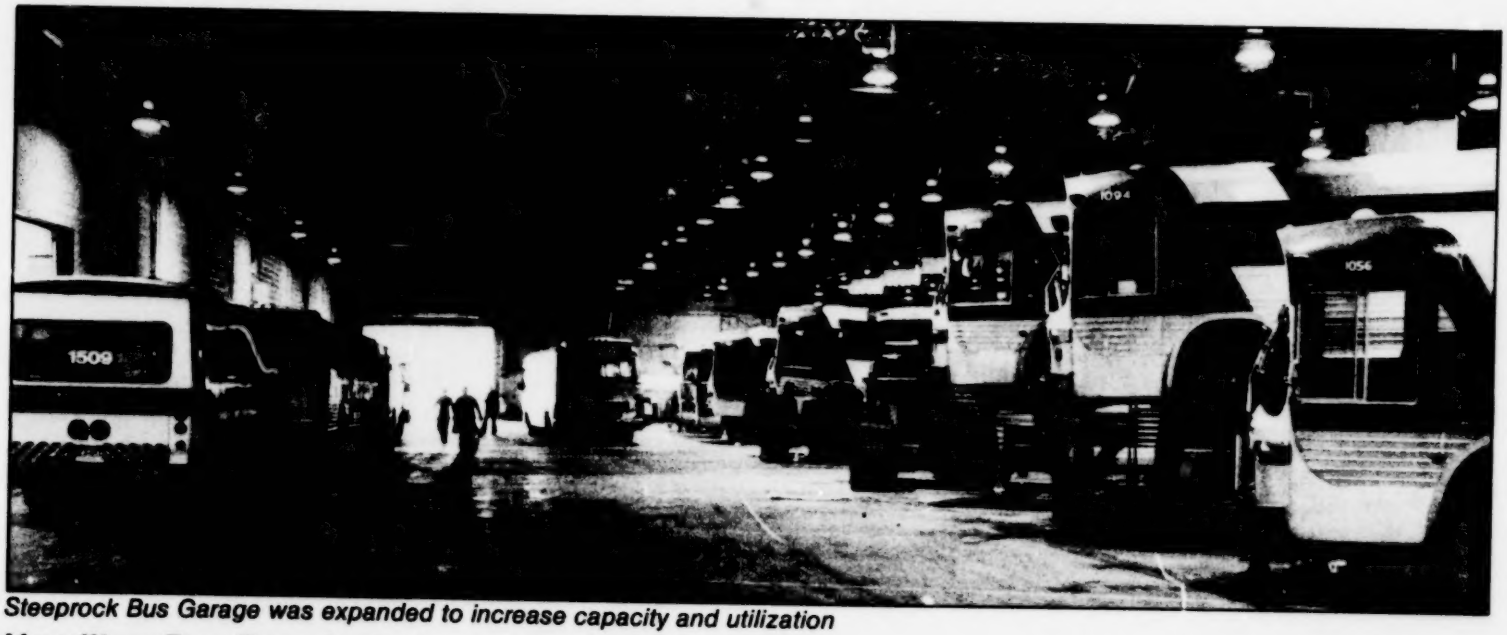
Other improvements will be made when feasible, and GO and the Ministry of Transportation and Communications will continue examining means of improving service for individuals with special mobility needs.

Newmarket Bus Terminal

GO continued with plans to relocate its bus terminal and garage in Newmarket to separate, larger sites.

The terminal and garage at present are both under one roof in what used to be a car dealership on Highway 11 south of Davis Drive. GO has outgrown the facilities, which are housed on approximately three acres of land – and passenger demand is expected to keep increasing as the busy North Yonge corridor grows.

During the fiscal year, GO bought a 13-acre site for the new bus storage and maintenance garage on Highway 11 about a mile north of the present terminal. At fiscal year end, land exchange negotiations with a local developer were under way for property for the bus terminal in the vicinity of the intersection of Highways 9 and 11; construction is planned for 1982-83. The garage project, consisting of first-phase outside storage only, will be designed and possibly built in the 1982-83 fiscal year also.



Steeprock Bus Garage was expanded to increase capacity and utilization

Hamilton Bus Terminal

GO Transit revived its search for a site for a new bus terminal in downtown Hamilton.

Deferred in 1979 pending route alignment of an intermediate capacity transit system (ICTS) for the city, the search was renewed when, during this fiscal year, the Region of Hamilton-Wentworth decided against building an ICTS. The plan had been to integrate the new GO terminal with one of the ICTS stations for maximum passenger benefit.

The revived site selection study is being done with the co-operation of both the Region and the City of Hamilton and is expected to be completed by the fall of 1982.

Steeprock Bus Garage

Outdoor bus storage capacity was increased at Steeprock Bus Garage, which opened in 1979.

The work enlarged outdoor storage to hold 33 more buses for a total of 84; also, three bus hoists were added inside to increase utilization of the facilities.

OPERATION

Ridership

Continuing the trend set last fiscal year, the bus system surpassed rail again in ridership growth rate. The percentage increase in passenger volume, however, dropped almost to the level of the 1979-80 fiscal year after a healthy jump in 1980-81.

Bus ridership increased by 9.3 per cent over the previous fiscal year, compared to 11 per cent in 1980-81; rail ridership increased by only 5.4 per cent, compared to almost 8 per cent the year before; and the combined carryings increased by 6.9 per cent, compared to 9 per cent in 1980-81 and 5.3 per cent in 1979-80.

At fiscal year end the average weekday ridership was about 81,800 passenger trips, compared to 73,500 and 67,000 in the previous two fiscal years. GO Trains accounted for 50,300 trips and GO Buses for nearly 31,500 (see graph).

The bus system, which carried over nine million passengers during the fiscal year, experienced significant increases in several corridors. Growth was as high as 35 per cent in some months in the Brampton/Bramalea-Toronto corridor again, and increases of between 10 and 20 per cent were recorded in the Newmarket-Toronto, North Yonge, Markham-Toronto and Oshawa-Toronto corridors.

Growth in the rail system occurred mainly in the Richmond Hill and Georgetown corridors, while the Lakeshore line was almost stagnant – and probably at capacity. Passenger carryings totalled 13.2 million, of which 365,000 trips were on the new GO Train 4 service which commenced in late October.

Service for Special Events

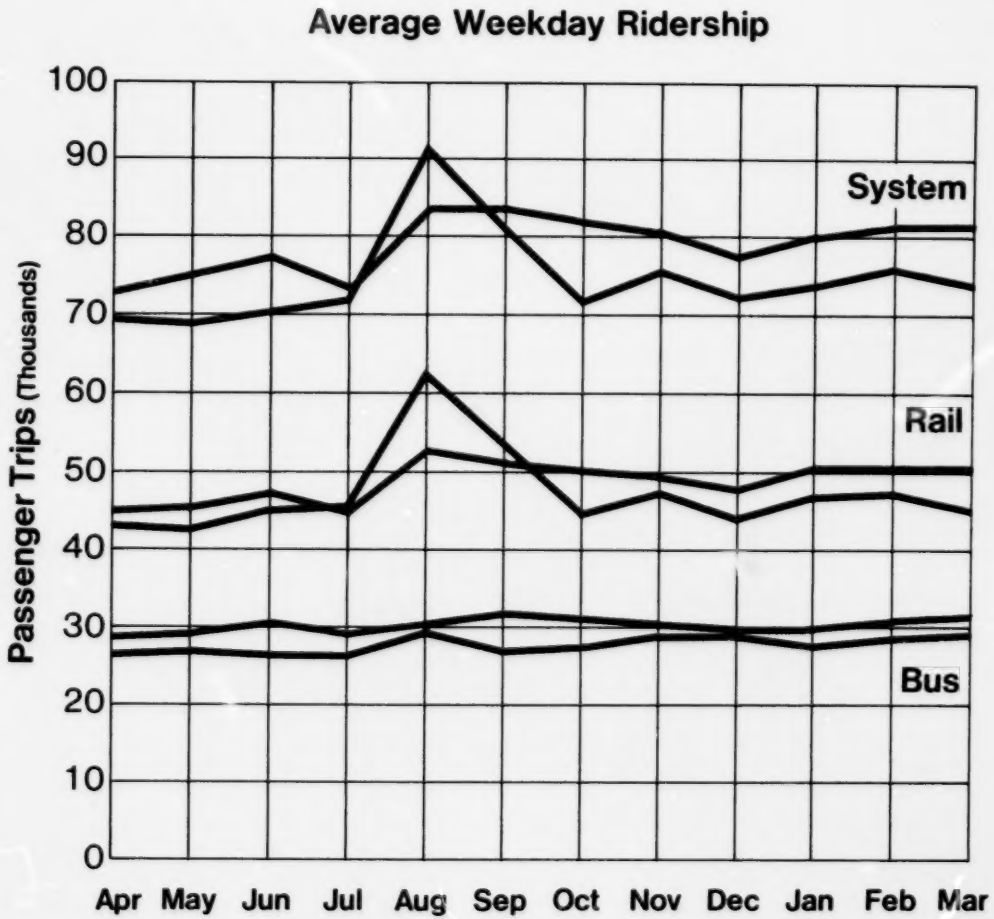
Demand was strong throughout the fiscal year for Exhibition GO Train service, although summer ridership was considerably lower than last year.

As usual, regular hourly GO Trains served Exhibition station daily from May through September – and for special events as required during the rest of the year.

Exhibition station ridership dropped in July and August, and Canadian National Exhibition attendance and GO's CNE ridership declined the third year in a row. During the CNE in August-September, GO handled 475,549 passenger trips at Exhibition station, 12 per cent less than last year's 541,842. CNE attendance itself was down by 2 per cent to just under three million, while GO's percentage of the CNE gate dropped to 7.6 per cent.

Bad weather at the beginning of September, the baseball strike and the fact that there was no Argonaut home game during the CNE were the main reasons for the decline in GO ridership.

Ridership was greater than projected in another area: the special bus shuttle which GO operated for Canada's Wonderland, opening for its first season in May. From May through season closing in September, the daily half-hourly service carried approximately 254,000 passengers between the park and York Mills/Yorkdale.



Corridor	Passengers Carried (Thousands) 1981-82	Passengers Carried (Thousands) 1980-81	Route Kilometres Operated 1981-82	Route Kilometres Operated 1980-81	Kilometres Operated (Thousands) 1981-82	Kilometres Operated (Thousands) 1980-81
Rail						
Lakeshore	11,012	10,833	97	97	1,230	1,180
Georgetown	1,288	1,206	47	47	112	109
Richmond Hill	537	492*	34	34	93**	49
Milton	365	—	50	—	49	—
Total	**13,202**	**12,531***	**228**	**178**	**1,484**	**1,338**
Bus						
Hamilton	2,229	2,205	178	209	3,776	3,582
Milton	248	287	60	169	682	822
Georgetown	1,118	975	220	224	2,002	1,754
Newmarket	3,379	3,032	364	364	3,101	2,951
Uxbridge	134	112	148	148	404	389
Oshawa	1,972	1,693	237	213	2,068	1,873
Total	**9,080**	**8,304**	**1,207**	**1,327**	**12,033**	**11,371**
System	**22,282**	**20,835***	**1,435**	**1,505**	**13,517**	**12,709**

*Adjusted from 1980-81 annual report

**Non-revenue kms included; not shown in previous years' reports

The MC9: newest addition to GO Bus fleet

Bus Fleet

Twenty-five MC9 buses were manufactured for $4,533,900 by Motor Coach Industries in Winnipeg, enlarging the GO Bus fleet to 198.

Designed to GO's specifications, the new buses went into service immediately on delivery in December-January to bring relief to busy routes. They lived up to expectations, logging over 11,000 kilometres a month each, more than double the fleet average. Many of the buses are being used on the City Link express run between Hamilton and Toronto.

The MC9s feature several improvements for comfort and ease of maintenance, and five of the buses are equipped with six-cylinder engines to test fuel economy. All are outfitted with two-way UHF radios, like the rest of the GO Bus fleet.

Bus Operations

Several major adjustments to GO Bus service were made during the year.

In April, a major rescheduling of express bus service between downtown Hamilton and downtown Toronto virtually doubled the existing frequency. Dubbed City Link, the upgraded service brought improvements to the vast majority of passengers.

The Northwest corridor was revamped in June, generally providing more, and faster, service than before in response to the substantial growth in ridership between Brampton/Bramalea and Yorkdale/York Mills in north Metro Toronto.

In connection with the advent of GO Train 4, several revisions were made in October to bus service which had been designed to serve the Milton/Meadowvale/Streetsville/Cooksville area until rail service could be provided. Discontinued were GO Bus service between Woodchester Mall/Cooksville/Applewood Acres and downtown Toronto and service between Milton/Meadowvale/Streetsville and downtown Toronto. At the same time, semi-express bus service between Milton/Meadowvale and Yorkdale/York Mills was expanded,

with a modified route serving the new Milton and Meadowvale rail stations.

The Queen Elizabeth Way express buses between Oakville and downtown Toronto were discontinued, conforming with GO policy not to duplicate its own rail or TTC subway service. The October schedule revisions also upgraded Newmarket-Finch service in the North Yonge corridors to all-day half-hourly frequency. Changes were also made to the Yorkdale/York Mills-Pickering/Oshawa Highway 2 service to improve performance and connections with the train at Pickering.

By fiscal year end plans were under way to implement major restructuring of the Newmarket and Oshawa corridors in April, 1982.

GO Train 4

GO Train 4, GO's fourth rail service, opened on schedule to link downtown Toronto with the rapidly-growing areas of Peel and Halton Regions to the west.

More than 4,000 spectators turned out for the October 25 inaugural run consisting of ceremonies at each station en route and the official opening at Union Station.

The first day of revenue service, October 26, accounted for just over 3,000 passenger trips, a total which climbed past the 3,100 mark daily by the end of December and reached 3,800 by the end of the fiscal year. The strongest showing was at Milton station, the line's western terminus, where ridership immediately after the opening was already double the figure predicted for 1986.

Costing $60 million – funded entirely by the Province through GO – the new service is operated under contract by CP Rail on its right-of-way, which has been extensively upgraded to handle commuter rail traffic.

Service consists of three rush-hour trains into Union Station in the morning and three returning home at night every weekday, a frequency designed to increase to five trains each way as ridership grows. Stations are at Milton, Meadowvale, Streetsville, Erindale, Cooksville, Dixie and Kipling, the last connected directly to the TTC subway for easy access to central Toronto.

Energy Conservation

Faced with rising fuel and hydro costs, GO continued its energy conservation programme where practical.

The shutting down and wayside heating of out-of-service trains continued at Willowbrook Maintenance Depot and Georgetown station. Wayside power was installed for trains on the new GO Train 4 service laying over at Guelph Junction. And plans were made to equip the Bathurst North yard just west of Union Station with wayside power in future and to complete a complementary programme for the installation of layover equipment in locomotives and APCUs.

Radial tires were installed on all intercity type GO Buses during the fiscal year to improve fuel economy and increase tire life.

Energy-conserving measures were also implemented in the design and construction of all new GO buildings.

Rolling Stock

Agreement was reached with Hawker Siddeley Canada Inc. for the manufacture of 71 bi-level rail cars to increase the fleet to 151 bi-levels and 122 single-levels.

Consisting of 56 coaches and 15 cab cars, the new equipment will be built in Thunder Bay to GO's specifications for delivery in 1983 and early 1984. The order is valued at $66.4 million with provision for inflation.

The second-generation bi-levels will incorporate several major design improvements, and at fiscal year end the project was in the pre-production design stages.

Labour Relations

The first collective agreement between GO Transit and Local 1587 of the Amalgamated Transit Union was successfully negotiated and ratified. About 325 employees are represented by Local 1587, which is the exclusive collective bargaining agent for all GO employees except supervisors, foremen, employees above these ranks, and office and technical staff.

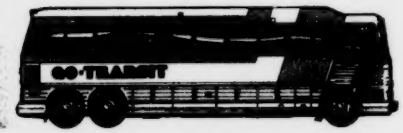
Fare Increase

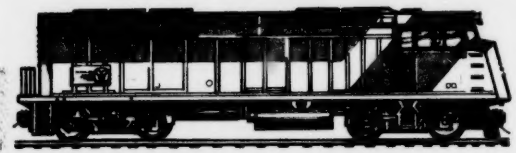
Fares went up on July 1 by amounts calculated to increase farebox revenue by about 18 per cent.

The increase was necessary to meet soaring costs, especially for labour and fuel. In the 15 months since the last fare revision, GO's diesel fuel costs alone jumped 53 per cent, while other costs continued to climb. Government policy set in 1977 directs GO to recover 65 per cent of its operating costs through ticket revenue and to review and adjust fares annually to meet this target.

The increase raised the basic charge from 25 to 30 cents and the distance charge, which is levied after the base is applied, from 3.9 to 4.5 cents a kilometre; there was also a slight lowering of the discounts offered for 10-ride tickets and monthly passes.

A.F. LEACH
Managing Director
and Secretary


GO TRANSIT



Auditors' Report

To the Members of the Toronto Area Transit Operating Authority and the Minister of Transportation and Communications.

We have examined the balance sheet of the Toronto Area Transit Operating Authority as at March 31, 1982 and the statements of equity, operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Authority as at March 31, 1982 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross + Co.

Toronto, Ontario
June 18, 1982

Touche Ross & Co.
Chartered Accountants

TORONTO AREA TRANSIT OPERATING AUTHORITY
(Incorporated without share capital under the
Toronto Area Transit Operating Authority Act, 1974)

BALANCE SHEET AS AT MARCH 31, 1982

(In thousands of dollars)

Assets

	1982	1981
Current		
Cash	$ 10,884	$ 4,544
Accounts receivable	1,127	493
Due from the Province of Ontario	5,755	6,534
Spare parts and supplies	2,597	3,491
Prepaid expenses	263	246
	20,626	15,308
Fixed		
Land	23,899	22,218
Buildings and equipment (Note 2)	102,207	103,770
Leasehold improvements, net of accumulated amortization of $83 (1981-$50)	718	750
Improvements to railway right of way and railway plant, net of accumulated amortization of $9,537 (1981-$4,892)	85,117	38,404
Construction in progress		
Toronto Transportation Terminal Project (Note 3)	10,666	3,725
Milton Rail Project	—	31,273
Bi-level Commuter Cars	9,215	—
Other	2,980	2,967
	234,802	203,107
	$255,428	$218,415

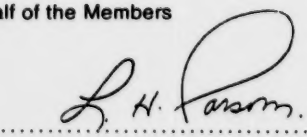
Liabilities

	1982	1981
Current		
Accounts payable and accrued liabilities	$ 18,272	$ 12,362
Unearned revenue in respect of tickets sold and not used	546	355
	18,818	12,717

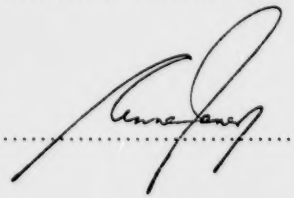
Equity

Province of Ontario	236,610	205,698
	$255,428	$218,415

On behalf of the Members



.....Chairman



.....Member

See accompanying notes to financial statements.

STATEMENT OF EQUITY
FOR THE YEAR ENDED MARCH 31, 1982
(In thousands of dollars)

	1982	1981
Equity at beginning of year	$205,698	$176,975
Capital contribution from the Province of Ontario	44,651	38,471
	250,349	215,446
Amortization of capital contributions	13,739	9,748
Equity at end of year	$236,610	$205,698

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 31, 1982
(In thousands of dollars)

	1982	1981
Revenue		
Commuter services	$32,621	$26,528
Other	3,243	2,697
	35,864	29,225
Expenses (Note 5)		
Train and bus operations	52,628	40,553
Terminals and plant	23,790	19,888
General and administration	11,181	8,580
	87,599	69,021
Loss from operations	51,735	39,796
Operating subsidy from the Province of Ontario including amortization of capital contributions of $13,739 (1981 - $9,748)	51,735	39,796
Net income for the year	$ —	$ —

STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED MARCH 31, 1982
(In thousands of dollars)

	1982	1981
Source of funds		
Capital contributions and operating subsidies from the Province of Ontario	$82,648	$68,519
Proceeds on disposal of fixed assets	—	17
	82,648	68,536
Application of funds		
Loss from operations	51,735	39,796
Less items not requiring an outlay of funds		
Depreciation	(7,945)	(7,559)
Amortization of improvements to railway right of way and to railway plant	(4,702)	(2,157)
Amortization of leasehold improvements	(32)	(32)
	39,056	30,048
Capital expenditures		
Land, buildings and equipment	8,124	8,334
Leasehold improvements	—	445
Improvements to railway right of way and to railway plant	14,596	9,345
Construction in progress		
Toronto Transportation Terminal Project	6,941	1,115
Milton Rail Project	3,748	18,093
Bi-level Commuter Cars	9,215	—
Other	1,751	1,021
	44,375	38,353
	83,431	68,401
(Decrease) increase in working capital	($ 783)	$ 135

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1982
(In thousands of dollars)

1. Summary of significant accounting policies

a. General
The financial statements are prepared on the accrual basis using generally accepted accounting principles.

b. Spare parts and supplies
Spare parts and supplies are valued at the lower of cost and replacement cost. Cost in respect of items acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date. The Authority uses the first-in, first-out method to record transfers from spare parts and supplies.

c. Fixed assets
Fixed assets are valued at cost. Cost in respect of assets acquired from the Ministry of Transportation and Communications on April 1, 1975, was determined as replacement cost as at that date, less depreciation calculated on the replacement values on a straight-line basis.

The Authority provides for the depreciation and amortization of the various classes of assets over their respective estimated useful lives, employing the following annual rates on the straight-line basis:

Buildings and equipment	
Buildings	Varying rates between 5% and 20%
Locomotive and auxiliary power control units	4%
Rail rolling stock	4%
Buses	Varying rates between 8% and 14%
Parking lots	5%
Sundry	Varying rates between 5% and 25%
Improvements to railway right of way and to railway plant	Varying rates between 5% and 33%
Leasehold improvements	5%

When assets are sold or otherwise disposed of, the related asset values and accumulated depreciation are removed from the respective accounts. Gains or losses on disposition are recorded in the statement of operations.

d. Commuter services revenue
Revenue is recognized when the transportation service is provided. Unearned amounts are treated as current liabilities.

e. Subsidies
Operating subsidies paid by the Province of Ontario are treated as reductions of operating losses. Capital contributions from the Province of Ontario are included in equity and are amortized to income over the useful lives of the related assets.

2. Buildings and equipment

	1982			1981
	Cost	Accumulated depreciation	Net book value	Net book value
Buildings	$ 26,792	$ 4,553	$ 22,239	$ 23,284
Locomotive and auxiliary power control units	14,678	6,563	8,115	7,912
Other railway rolling stock	72,650	17,368	55,282	58,500
Buses	18,696	7,203	11,493	9,030
Parking lots	4,147	909	3,238	3,294
Sundry	2,755	915	1,840	1,750
	$139,718	$37,511	$102,207	$103,770

3. Toronto Transportation Terminal Project
The Toronto Transportation Terminal Project initially involved the Province of Ontario, the Authority, the Government of Canada, the Canadian National Railway, Canadian Pacific Limited and the Toronto Terminals Railway Company. As the parties could not reach agreement on a satisfactory cost sharing arrangement for the capital costs of the project, work is proceeding at the Authority's expense on a modified program which provides only for the immediate needs of GO Transit services.

4. Operating agreements
The services provided by the Authority are operated by outside parties using vehicles and rolling stock owned by the Authority. These services are governed by the following agreements:

Party	Period of agreement
Canadian National Railway	June 1, 1977 to May 31, 1987
Gray Coach Lines	Expired December 31, 1981, renewal under negotiation
Travelways Maple Leaf Limited	October 26, 1980 to October 29, 1983
Charterways Transportation Limited	December 2, 1980 to December 1, 1982
Canadian Pacific Limited	October 26, 1981 to October 25, 1991

5. Expenses
The details of expenses may be summarized as follows:

	1982	1981
Salaries, wages and fringe benefits	$10,336	$ 7,087
Payments to outside parties for operation of services	34,175	31,432
Fuel and oil	8,048	5,066
Other expenses	12,971	8,851
Total operating expenses before the undernoted items	65,530	52,436
Leases, rentals and user charges	8,330	6,837
Depreciation and amortization	13,739	9,748
Total expenses	$87,599	$69,021

Of the total expenses above, $65,530 (1981 - $52,436) is recognized as recoverable, in part, from passengers. The target amount to be ultimately recovered from passengers has been established as 65% of the recoverable expenses. In 1982, total revenue amounted to $35,864 (1981 - $29,225) and represents a recovery of 54.7% (1981 - 55.7%) of the recoverable expenses.

6. Lease commitments
Long-term leases in effect at March 31, 1982 expire in varying periods from one to seventeen years and require the following minimum annual rental payments over the next five years:

1982-1983	$845	1985-1986	$322
1983-1984	573	1986-1987	291
1984-1985	538		

7. Capital commitments
The nature and amount of capital commitments undertaken by the Authority, net of payments made to March 31, 1982, are outlined below.

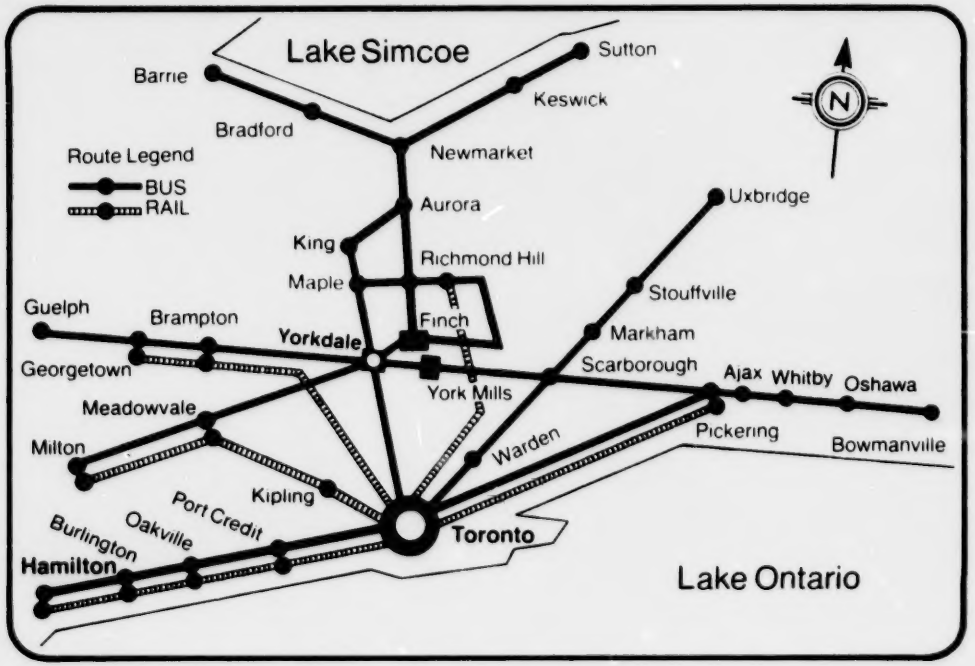
Agreement for improvements to the rail right of way on the Streetsville/Milton corridor	$ 3,724
Agreement for the development of the Toronto Transportation Terminal Project as mentioned in Note 3	23,050
71 Bi-level Commuter Cars for delivery 1983-1984	70,645

8. Pensions
The Authority provides pension benefits for its employees through participation in the Public Service Superannuation Fund established by the Province of Ontario. The Province is amortizing the unfunded liability of the plan through a series of annual payments and has charged the Authority for its share of such payments for the year.

9. Comparative figures
Certain comparative figures have been changed to conform with the presentation adopted in 1982.

Summary of Sundry Revenue
(In thousands of dollars)

	1982	1981
Equipment rentals	$1,139	$1,498
Interest income	445	224
Advertising revenue	246	164
Other income	1,413	811
	3,243	2,697



March 31, 1982

Objectives

GO Transit (the Toronto Area Transit Operating Authority) is an Agency of the Crown established to:

Design and operate interregional transit for people whose travel takes them through more than one regional municipality;

And encourage convenient and efficient meshing of the transit systems operating in the Toronto-centred area and interfacing with the GO Transit system.

Area of Jurisdiction

GO Transit is, for practical purposes, a voluntary association of the Regional Municipalities of Peel, York, Halton, Durham and Hamilton-Wentworth, the Municipality of Metropolitan Toronto and the Province of Ontario.

Membership

The Board is composed of seven Members: the Chairman, appointed by the Lieutenant Governor in Council; and the Chairmen of the Councils of Peel, York, Halton, Durham, Hamilton-Wentworth and Metropolitan Toronto.

Members

L.H. PARSONS
Chairman

Mrs. A.H. JONES
Vice-Chairman of the Board
Chairman, Council of
The Regional Municipality of Hamilton-Wentworth

R.F. BEAN
Chairman, Council of
The Regional Municipality of Peel

B. FORHAN
Chairman, Council of
The Regional Municipality of York

P.V. GODFREY
Chairman, Council of
The Municipality of Metropolitan Toronto

G. HERREMA
Chairman, Council of
The Regional Municipality of Durham

J.N. RAFTIS
Chairman, Council of
The Regional Municipality of Halton

Minister

The Honourable JAMES W. SNOW
Minister of Transportation and Communications

Officers

A.F. LEACH
Managing Director
Secretary to the Board

J.M. BURWELL
Director, Finance and Administration
Treasurer to the Board

J.A. BROWN
Director, Commuter Operations and Equipment

H.W. CLELLAND
Director, Engineering and Maintenance

H.D. MOSHER
Director, Services

D.A. SUTHERLAND
Director, Development and Special Projects